

## Union Calendar No. 887

85TH CONGRESS  
2D SESSION

# H. R. 13247

[Report No. 2157]

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### IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1958

Mr. ELLIOTT introduced the following bill; which was referred to the Committee on Education and Labor

JULY 15, 1958

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That this Act, divided into titles and sections according  
4 to the following table of contents, may be cited as the  
5 "National Defense Education Act of 1958".

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**1 TITLE I—GENERAL PROVISIONS**

**2 FINDINGS AND DECLARATION OF POLICY**

- 3 SEC. 101. The Congress hereby finds and declares that**
- 4 the security of the Nation requires the fullest development**
- 5 of the mental resources of its young men and women. The**
- 6 present emergency demands that additional and more ade-**
- 7 quate educational opportunities be made available. This**
- 8 requires programs that will demonstrate our country's recog-**
- 9 nition of and esteem for those of our students who have**
- 10 striven to develop their intellectual abilities to the fullest**

1 extent, and will make available greater intellectual oppor-  
2 tunities that are challenging to our youth.

3 The Congress reaffirms the principle and declares that  
4 the States and local communities have and must retain con-  
5 trol over and primary responsibility for public education.  
6 The national interest requires, however, that the Federal  
7 Government give assistance to education for programs which  
8 are important to our defense.

9 To meet the present educational emergency requires ad-  
10 ditional effort at all levels of government. It is therefore  
11 the purpose of this Act to provide substantial assistance in  
12 various forms to individuals for study at institutions of higher  
13 education, and to States and their subdivisions, in order to  
14 insure trained manpower of sufficient quality and quantity  
15 to meet the national defense needs of the United States.

16 **FEDERAL CONTROL OF EDUCATION PROHIBITED**

17 **SEC. 102.** Nothing contained in this Act shall be con-  
18 strued to authorize any department, agency, officer, or em-  
19 ployee of the United States to exercise any direction, super-  
20 vision, or control over the curriculum, program of instruction,  
21 administration, or personnel of any educational institution  
22 or school system.

23 **DEFINITIONS**

24 **SEC. 103.** As used in this Act—

25 (a) The term "State" means a State, Alaska, Hawaii,

1 Puerto Rico, the District of Columbia, the Canal Zone,  
2 Guam, or the Virgin Islands, except that as used in section  
3 205 (a), 402, or 702, such term does not include Alaska,  
4 Hawaii, Puerto Rico, the Canal Zone, Guam, or the Virgin  
5 Islands.

6 (b) The term "institution of higher education" means  
7 an educational institution in any State which (1) admits  
8 as regular students only persons having a certificate of grad-  
9 uation from a school providing secondary education, or the  
10 recognized equivalent of such a certificate, (2) is legally  
11 authorized within such State to provide a program of educa-  
12 tion beyond secondary education, (3) provides an educa-  
13 tional program for which it awards a bachelor's degree or  
14 provides not less than a two-year program which is accept-  
15 able for full credit toward such a degree, (4) is a public or  
16 other nonprofit institution, and (5) is accredited by a na-  
17 tionally recognized accrediting agency or association or, if  
18 not so accredited, is an institution whose credits are accepted,  
19 on transfer, by not less than three institutions which are so  
20 accredited, for credit on the same basis as if transferred  
21 from an institution so accredited. For purposes of title II,  
22 such term includes an institution, not located in any State,  
23 which the Commissioner determines to be substantially com-  
24 parable to an institution which comes within the preceding  
25 provisions of this subsection. For purposes of titles II

1 and III, such term includes any private business school or  
2 technical institution which meets the provisions of clauses  
3 (1), (2), (3), (4), and (5). For purposes of this sub-  
4 section, the Commissioner shall publish a list of nationally  
5 recognized accrediting agencies or associations which he  
6 determines to be reliable authority as to the quality of train-  
7 ing offered.

8 (c) The term "Commissioner" means the Commissioner  
9 of Education.

10 (d) The term "Secretary" means the Secretary of  
11 Health, Education, and Welfare.

12 (e) The term "State Commission" means a State  
13 Commission on Scholarships established or designated in any  
14 State to participate in a program under title II.

15 (f) The term "State educational agency" means the  
16 State board of education or other agency or officer primarily  
17 responsible for the State supervision of elementary and sec-  
18 ondary schools, or, if there is no such officer or agency, an  
19 officer or agency designated by the governor or by State  
20 law.

21 (g) The term "school-age population" means that part  
22 of the population which is between the ages of five and  
23 seventeen, both inclusive, and such school-age population for  
24 the several States shall be determined by the Commissioner  
25 on the basis of the population between such ages for the

1 most recent year for which satisfactory data are available  
2 from the Department of Commerce.

3 (h) The term "resident" when used with respect to any  
4 State shall have the meaning established by regulations of  
5 the Commissioner and shall include a citizen of the United  
6 States who is domiciled in such State but is living outside  
7 of any State.

8 (i) The term "elementary school" means a public  
9 school which provides elementary education as determined  
10 under State law.

11 (j) The term "secondary school" means a public school  
12 which provides secondary education, as determined under  
13 State law, except that it does not include any education  
14 provided beyond grade 12.

15 (k) The term "local educational agency" means a  
16 board of education or other legally constituted local school  
17 authority having administrative control and direction of  
18 elementary schools or secondary schools in a city, county,  
19 township, school district, or political subdivision in a State.

20 (l) The term "nonprofit", as applied to a school or  
21 institution, means a school or institution owned and operated  
22 by one or more nonprofit corporations or associations no  
23 part of the net earnings of which inures, or may lawfully  
24 inure, to the benefit of any private shareholder or individual.

25 (m) The term "public" as applied to any school or

1 institution does not include a school or institution of any  
2 agency of the United States.

3 TITLE II—NATIONAL DEFENSE SCHOLARSHIPS

4 APPROPRIATIONS AUTHORIZED

5 SEC. 201. There is hereby authorized to be appropriated  
6 for the fiscal year ending June 30, 1959, and for each of the  
7 three succeeding fiscal years the sum of \$17,500,000 for  
8 scholarships to persons who have not previously been  
9 awarded scholarships under this title and who are selected  
10 for award of such scholarships by the State Commissions.  
11 In addition there are authorized to be appropriated for the  
12 fiscal year ending June 30, 1960, and for each of the six  
13 succeeding fiscal years such sums as are estimated to be nec-  
14 essary for making payments to individuals who have pre-  
15 viously been awarded scholarships under this title. Scholar-  
16 ships awarded under this title shall be known as "National  
17 Defense Scholarships".

18 AMOUNT OF SCHOLARSHIPS

19 SEC. 202. Persons awarded scholarships under this  
20 title shall be paid \$500 during each academic year of the  
21 scholarships' duration as provided in section 203. Any  
22 such person who is determined by the State Commission,  
23 in accordance with the provisions of the State plan referred  
24 to in section 206 (a) (3), to need additional financial  
25 assistance to continue his education at an institution of



1 higher education, shall be paid an additional amount, not  
2 to exceed \$500, during each such year based on his financial  
3 need, such amount to be determined in accordance with  
4 such provisions.

5 DURATION OF SCHOLARSHIPS

6 SEC. 203. The duration of a National Defense Scholar-  
7 ship awarded under this title shall be a period of time not  
8 in excess of four academic years, as defined in regulations  
9 of the Commissioner, or, subject to regulations of the Com-  
10 missioner, such longer period as is normally required to com-  
11 plete the undergraduate curriculum which the recipient is  
12 pursuing; but in no event shall the duration extend beyond  
13 the completion by the recipient of the work for his first  
14 bachelor's degree. Notwithstanding the preceding provi-  
15 sions of this section, a scholarship awarded under this title  
16 shall entitle the recipient to payments for such period only  
17 if the Commissioner finds that he (1) devotes essentially  
18 full time to educational work leading to a bachelor's degree,  
19 during the academic year, in attendance at an institution of  
20 higher education, (2) is maintaining satisfactory proficiency  
21 in the course of study which he is pursuing, according to the  
22 regularly prescribed standards and practices of the institution  
23 which he is attending, and (3) is not receiving expenses  
24 of tuition or other scholarship or fellowship aid or educational

1 assistance from other Federal sources (other than a monetary  
2 allowance under a reserve officers' training program or  
3 money paid under other provisions of this Act).

4       SELECTION OF RECIPIENTS OF SCHOLARSHIPS

5       SEC. 204. (a) An individual shall be eligible to compete  
6 in any State for a National Defense Scholarship if he (1)  
7 is a resident of the State; (2) makes application in accord-  
8 ance with such rules as the State Commission for such State  
9 may establish; and (3) is not, or has not been, enrolled in  
10 any course of study beyond the secondary school level.

11       (b) From among those competing for National Defense  
12 Scholarships for each fiscal year, each State Commission,  
13 within the amount allotted to it for scholarships under sec-  
14 tion 205 (a), shall select persons who are to be awarded  
15 such scholarships during such year. Each State Commission  
16 shall select persons to be awarded such scholarships in ac-  
17 cordance with objective tests and other measures of apti-  
18 tude and ability to pursue successfully at an institution of  
19 higher education a course of study leading to a bachelor's  
20 degree, giving special consideration to those with superior  
21 capacity or preparation in science, mathematics, or a modern  
22 foreign language.

23       (c) The Commissioner shall award a National Defense  
24 Scholarship to each person with respect to whom he receives  
25 a certification from a State Commission that such person—

1           (1) has been selected for a National Defense Schol-  
2 arship under the provisions of this section,

3           (2) has been accepted for enrollment by an insti-  
4 tution of higher education, and

5           (3) (A) holds a certificate of graduation, based  
6 on completion of the twelfth grade, from any high school  
7 whose graduates meet the requirements established by  
8 the State in which such school is located for graduation  
9 from high schools accredited by such State, or (B) in  
10 the case of an individual who does not hold such a cer-  
11 tificate, is determined by such State Commission to have  
12 attained a level of advancement generally accepted as  
13 constituting the equivalent of that required for graduation  
14 from such a high school.

15 ALLOTMENT OF APPROPRIATIONS FOR SCHOLARSHIPS

16 SEC. 205. (a) From the sum appropriated for any  
17 fiscal year pursuant to the first sentence of section 201 the  
18 Commissioner shall reserve such amount, but not in excess  
19 of 2 per centum of such sum, as he may determine for  
20 allotment as provided in section 908. The remainder of such  
21 sum shall be allotted by the Commissioner among the States  
22 as follows: Each State shall be allotted an amount which  
23 bears the same ratio to the aggregate sum being allotted as  
24 its population between ages of 18 and 21, both inclusive,  
25 bears to the total population of all the States between such

1 ages. For the purposes of this section, populations between  
2 such ages shall be determined on the basis of the popula-  
3 tions between such ages for the most recent year, after  
4 1955, for which satisfactory data are available from the  
5 Department of Commerce.

6 (b) Sums appropriated under the second sentence of  
7 section 201 for fiscal years beginning after June 30, 1959,  
8 shall be allotted by the Commissioners among the States on  
9 the basis of the relative amounts estimated to be needed to  
10 make continuing payments for each such year to persons  
11 selected by the State Commissions to be awarded National  
12 Defense Scholarships in previous years.

13 **STATE SCHOLARSHIP COMMISSIONS; STATE PLANS**

14 **SEC. 206.** (a) Any State desiring to participate in the  
15 scholarship program under this title may do so by establish-  
16 ing a State Commission on Scholarships, or by designating  
17 an existing agency of the State to serve as the State Commis-  
18 sion on Scholarships, and by submitting to the Commissioner,  
19 through such commission a State plan which—

20 (1) provides for the determination of the institu-  
21 tions in the State which are institutions of higher  
22 education as defined in section 103 (b) ;

23 (2) provides for the determination, in accordance  
24 with the provisions of section 204, of eligibility to com-

1       pete for National Defense Scholarships, for the selection,  
2       in accordance with such provisions, of persons to be  
3       awarded such scholarships out of the State's allotment,  
4       and for certification of such persons to the Commis-  
5       sioner;

6               (3) provides (A) for the annual determination of  
7       the additional amounts to be awarded persons in need  
8       thereof under section 202 in accordance with standards,  
9       procedures, and criteria established by the State Com-  
10      mission, which the Commissioner finds provide reason-  
11      able assurance (i) that the additional amount will be  
12      based on the individual's need for financial assistance to  
13      continue his education at an institution of higher educa-  
14      tion, such need to be determined without regard to tui-  
15      tion, fees, and other expenses of attendance at the institu-  
16      tion of higher education chosen by the individual, and  
17      (ii) that the maximum additional amount allowable  
18      under the plan shall be \$500, and (B) for the annual  
19      certification, of each such additional amount and the  
20      person to whom it is to be paid, to the Commissioner;

21              (4) provides that the State Commission will be the  
22      sole agency for administering the plan;

23              (5) provides that the State Commission will make  
24      such reports to the Commissioner, in such form and con-

1     taining such information, as may be reasonably neces-  
2     sary to enable the Commissioner to perform his duties  
3     under this title; and

4             (6) provides for such fiscal control and fund ac-  
5     counting procedures as may be necessary to assure  
6     proper disbursement of and accounting for Federal  
7     funds paid to the State under this title.

8     (b) The Commissioner shall approve any State plan  
9     which complies with the conditions specified in subsection  
10    (a).

11    ADMINISTRATIVE EXPENSES OF STATE COMMISSIONS

12    SEC. 207. The Commissioner shall pay to each State  
13    such amounts as the Commissioner determines to be neces-  
14    sary for the proper and efficient administration of the State  
15    plan (including reimbursement to the State for expenses  
16    which the Commissioner determines were necessary for the  
17    preparation of the State plan approved under this title).

18    TITLE III—LOANS TO STUDENTS IN INSTITU-  
19                   TIONS OF HIGHER EDUCATION

20                   APPROPRIATIONS AUTHORIZED

21    SEC. 301. For the purpose of enabling the Commissioner  
22    to stimulate and assist in the establishment at institutions of  
23    higher education of funds for the making of low-interest loans  
24    to students in need thereof to pursue their courses of study in

1 such institutions, there are hereby authorized to be appropri-  
2 ated \$40,000,000 for the fiscal year ending June 30, 1959,  
3 \$60,000,000 for each of the three succeeding fiscal years,  
4 and such sums for the fiscal year ending June 30, 1963, and  
5 each of the three succeeding fiscal years as may be necessary  
6 to enable students who have received a loan for any school  
7 year ending prior to July 1, 1962, to continue or complete  
8 their education. Sums appropriated under this section for  
9 any fiscal year shall be available, in accordance with agree-  
10 ments between the Commissioner and institutions of higher  
11 education, for payment of Federal capital contributions  
12 which, together with contributions from the institutions, shall  
13 be used for establishment and maintenance of student loan  
14 funds.

15 ALLOTMENTS TO STATES

16 SEC. 302. (a) From the sums appropriated pursuant  
17 to section 301 for any fiscal year ending prior to July 1,  
18 1962, the Commissioner shall allot to each State an amount  
19 which bears the same ratio to the amount so appropriated  
20 as the number of persons enrolled on a full-time basis in  
21 institutions of higher education in such State bears to the  
22 total number of persons enrolled on a full-time basis in  
23 institutions of higher education in all of the States. The  
24 number of persons enrolled on a full-time basis in institutions

1 of higher education for purposes of this section shall be  
2 determined by the Commissioner for the most recent year  
3 for which satisfactory data are available to him.

4 (b) Sums appropriated pursuant to section 301 for any  
5 fiscal year ending after June 30, 1962, shall be allotted  
6 among the States in such manner as the Commissioner deter-  
7 mines to be necessary to carry out the purpose for which  
8 such amounts are appropriated.

9 PAYMENT OF FEDERAL CAPITAL CONTRIBUTIONS

10 SEC. 303. (a) The Commissioner shall from time to  
11 time set dates by which institutions of higher education in  
12 a State must file applications for Federal capital contributions  
13 from the allotment of such State. In the event the total re-  
14 quested in such applications, which are made by institutions  
15 with which he has agreements under this title and which  
16 meet the requirements established in regulations of the Com-  
17 missioner, exceeds the amount of the allotment of such State  
18 available for such purpose, the Federal capital contribution  
19 from such allotment to each such institution shall bear the  
20 same ratio to the amount requested in its application as the  
21 amount of such allotment available for such purpose bears to  
22 the total requested in all such applications. In the event  
23 the total requested in such applications which are made by  
24 institutions in a State is less than the amount of the allot-  
25 ment of such State available for such purpose, the Commis-



1 sioner may reallocate the remaining amount from time to time,  
2 on such date or dates as the Commissioner may fix, to other  
3 States in proportion to the original allotments to such States  
4 under section 302 for such year. The Federal capital con-  
5 tribution to an institution shall be paid to it from time to  
6 time in such installments as the Commissioner determines will  
7 not result in unnecessary accumulations in the student loan  
8 fund.

9 (b) In no case may the total of such Federal capital  
10 contributions to any institution of higher education for any  
11 fiscal year exceed \$250,000.

12 CONDITIONS OF AGREEMENTS

13 SEC. 304. An agreement with any institution of higher  
14 education for Federal capital contributions by the Commis-  
15 sioner under this title shall—

16 (1) provide for establishment of a student loan  
17 fund by such institution;

18 (2) provide for deposit in such fund of (A) the  
19 Federal capital contributions, (B) an amount, not less  
20 than 25 per centum thereof, contributed by such institu-  
21 tion, (C) collections of principal and interest on student  
22 loans made from such fund, and (D) any other earnings  
23 of the fund;

24 (3) provide that such student loan fund shall be

1       used only for loans to students in accordance with such  
2       agreement, for capital distributions as provided in this  
3       title, and for costs of litigation arising in connection  
4       with the collection of any loan from the fund or interest  
5       on such loan; and

6               (4) include such other provisions as may be neces-  
7       sary to protect the financial interest of the United States  
8       and promote the purposes of this title and as are agreed  
9       to by the Commissioner and the institution.

10                               TERMS OF LOANS

11       SEC. 305. (a) The total of the loans for any fiscal year  
12       to any student made by institutions of higher education from  
13       loan funds established pursuant to agreements under this  
14       title may not exceed \$1,000, and the total for all years to  
15       any student from such funds may not exceed \$5,000.

16       (b) Loans from any such loan fund to any student by  
17       any institution of higher education shall be made on such  
18       terms and conditions as the institution may determine; sub-  
19       ject, however, to such conditions, limitations, and require-  
20       ments as the Commissioner may prescribe (by regulation  
21       or in the agreement with the institution) with a view to  
22       preventing impairment of the capital of the student loan fund  
23       to the maximum extent practicable in the light of the  
24       objective of enabling the student to complete his course of  
25       study; and except that—

1           (1) such a loan shall be made only to a student  
2       who (A) is in need of the amount of the loan to pursue  
3       a course of study at such institution, and (B) is capable,  
4       in the opinion of the institution, of maintaining good  
5       standing in such course of study and has been accepted  
6       for enrollment as a full-time student at such institution  
7       or, in the case of a student already attending such insti-  
8       tution, is in good standing and in full-time attendance  
9       there either as an undergraduate or graduate student;

10          (2) such a loan shall be evidenced by a note or  
11       other written agreement which provides for repay-  
12       ment of the principal amount in equal annual install-  
13       ments over a ten-year period which begins one year  
14       after the borrower ceases to be a full-time student at  
15       the institution of higher education which made the loan  
16       or at any other institution which is participating in the  
17       program established under this title (or, if not par-  
18       ticipating, has been approved by the Commissioner for  
19       the purpose of this paragraph) : *Provided*, That such ten-  
20       year period may be extended for good cause deter-  
21       mined in accordance with regulations of the Commis-  
22       sioner;

23          (3) such a loan shall bear interest, on the unpaid  
24       balance of the loan, at the rate of 2 per centum per  
25       annum during the period prior to the first year for which

1       repayment of an installment on the principal is due  
2       (such interest to be paid annually during such period)  
3       and at the rate of 4 per centum per annum after such  
4       period: *Provided*, That the borrower may at his option  
5       repay all or any part of the loan in advance of the time  
6       or times when due, and such repayment shall be made  
7       without penalty and without advancing the first year for  
8       which interest at the rate of 4 per centum per annum, in  
9       lieu of 2 per centum per annum, would otherwise be  
10      payable under this title;

11           (4) no security or endorsement may be required for  
12      any such loan unless the borrower is a minor and the  
13      note or other evidence of obligation executed by him  
14      would not, under the applicable law, create a binding  
15      obligation;

16           (5) the liability to repay any such loan shall be  
17      canceled upon the death of the borrower, or if he be-  
18      comes permanently and totally disabled as determined  
19      in accordance with regulations of the Commissioner;

20           (6) such a loan by an institution for any year shall  
21      be made in such installments as may be provided in  
22      regulations of the Commissioner or the agreement with  
23      the institution under this title and, upon notice to the  
24      Commissioner by the institution that any recipient of  
25      a loan is failing to maintain satisfactory standing, any

1 or all further installments of his loan shall be withheld,  
2 as may be appropriate; and

3 (7) no note or other evidence of such a loan may  
4 be transferred or assigned by the institution of higher  
5 education making the loan except, upon the transfer of  
6 the borrower to another institution of higher education  
7 participating in the program under this title (or, if not  
8 participating, is eligible to do so and is approved by  
9 the Commissioner for such purpose), to such institution.

10 (c) An agreement under this title for payment of Fed-  
11 eral capital contributions to any institution of higher educa-  
12 tion shall include provisions designed to make loans from  
13 the student loan fund established pursuant to such agree-  
14 ment reasonably available (to the extent of the available  
15 funds in such fund) to all eligible students in such institution  
16 in need thereof.

17 DISTRIBUTIONS OF ASSETS FROM STUDENT LOAN FUNDS

18 SEC. 306. (a) After June 30, 1966, and not later than  
19 September 30, 1966, there shall be a capital distribution of  
20 the balance of the student loan fund established under this  
21 title by each institution of higher education as follows:

22 (1) The Commissioner shall first be paid an amount  
23 which bears the same ratio to the balance in such fund  
24 at the close of June 30, 1966, as the total amount of the  
25 Federal capital contributions to such fund by the Com-

1       missioner under this title bears to the sum of such Fed-  
2       eral capital contributions and the institution's capital con-  
3       tributions to such fund.

4               (2) The remainder of such balance shall be paid  
5       to the institution.

6       (b) After September 30, 1966, each institution with  
7       which the Commissioner has made an agreement under this  
8       title shall pay to the Commissioner, not less often than  
9       quarterly, the same proportionate share of amounts received  
10      by the institution after June 30, 1966, in payment of prin-  
11      cipal or interest on student loans made from the student  
12      loan fund established pursuant to such agreement (which  
13      amount shall be determined after deduction of any costs of  
14      litigation incurred in collection thereof and not already re-  
15      imbursed from the student loan fund or such payments of  
16      principal or interest) as was paid to the Commissioner under  
17      subsection (a).

18      (c) Upon a finding by the institution or the Commis-  
19      sioner prior to July 1, 1966, that the liquid assets of a student  
20      loan fund established pursuant to an agreement under this  
21      title exceed the amount required for loans or otherwise in the  
22      foreseeable future, and upon notice to such institution and  
23      to the Commissioner, there shall be, subject to such limita-  
24      tions as may be included in regulations of the Commissioner

1 or in such agreement, a capital distribution from such fund.

2 Such capital distribution shall be made as follows:

3 (1) The Commissioner shall first be paid an amount  
4 which bears the same ratio to the total to be distributed  
5 as the Federal capital contributions by the Commis-  
6 sioner to the student loan fund prior to such distribution  
7 bear to the sum of such Federal capital contributions  
8 and the capital contributions to the fund made by the  
9 institution.

10 (2) The remainder of the capital distribution shall  
11 be paid to the institution.

12 LOANS TO INSTITUTIONS

13 SEC. 307. (a) Upon application by any institution of  
14 higher education with which he has made an agreement  
15 under this title, the Commissioner may make a loan to such  
16 institution for the purpose of helping to finance the institu-  
17 tion's capital contributions to a student loan fund established  
18 pursuant to such agreement. Any such loan may be made  
19 only if such institution shows it is unable to secure such funds  
20 from non-Federal sources upon terms and conditions which  
21 the Commissioner determines to be reasonable and consistent  
22 with the purposes of this title. Loans made to institutions  
23 under this section shall bear interest at a rate equal to one-  
24 fourth of 1 per centum above the rate payable by the Com-

1 missioner to the Treasury for funds borrowed to finance such  
2 loans.

3 (b) (1) For the purpose of financing loans to institu-  
4 tions under this section, the Commissioner shall issue notes,  
5 debentures, or other obligations for purchase by the Secre-  
6 tary of the Treasury. Obligations issued by the Commis-  
7 sioner under this subsection shall be in such form and de-  
8 nominations, and be subject to such terms and conditions,  
9 as may be prescribed by the Commissioner with the approval  
10 of the Secretary of the Treasury. Such obligations shall bear  
11 interest at a rate sufficient to cover the cost of the funds  
12 to the Treasury as determined by the Secretary of the  
13 Treasury, taking into consideration the current average yields  
14 of outstanding marketable obligations of the United States  
15 having maturities comparable to the maturities of loans  
16 made by the Commissioner under this section.

17 (2) The Secretary of the Treasury is authorized and  
18 directed to purchase any obligations of the Commissioner  
19 issued under this section and for such purpose is authorized  
20 to use as a public debt transaction the proceeds from the  
21 sale of any securities issued under the Second Liberty Bond  
22 Act, as amended, and the purposes for which securities may  
23 be issued under such Act, as amended, are extended to in-



1 clude any purchases of the Commissioner's obligations here-  
2 under. There are hereby authorized to be appropriated such  
3 sums as may be necessary, together with repayments made  
4 by institutions hereunder, for payments on obligations issued  
5 by the Commissioner under this section. Any such repay-  
6 ments not required for such purpose shall be deposited in the  
7 Treasury as miscellaneous receipts.

8 (c) Loans made by the Commissioner under this section  
9 shall mature within such period as may be determined by  
10 the Commissioner to be appropriate in each case, but not  
11 exceeding fifteen years.

12 ADMINISTRATIVE PROVISIONS

13 SEC. 308. (a) The Commissioner, in addition to the  
14 other powers conferred upon him by this title, shall have  
15 power to agree to modifications of agreements or loans made  
16 under this title and to compromise, waive, or release  
17 any right, title, claim, or demand, however arising or  
18 acquired under this title, except that nothing in this sub-  
19 section shall be construed to affect the power of the Attorney  
20 General in the conduct of litigation arising under this Act.

21 (b) Financial transactions of the Commissioner pur-  
22 suant to this title, and vouchers approved by him in con-

1 nection with such financial transactions, shall be final and  
2 conclusive upon all officers of the Government; except that  
3 all such transactions shall be subject to audit by the General  
4 Accounting Office at such times and in such manner as the  
5 Comptroller General may by regulation prescribe.

6 TITLE IV—GRANTS TO STATES FOR STRENGTH-  
7 ENING SCIENCE, MATHEMATICS, AND MOD-  
8 ERN FOREIGN LANGUAGE INSTRUCTION IN  
9 PUBLIC SCHOOLS

10 APPROPRIATIONS AUTHORIZED

11 SEC. 401. There are hereby authorized to be appropri-  
12 ated \$60,000,000 for the fiscal year ending June 30, 1959,  
13 and for each of the three succeeding fiscal years, for making  
14 payments to State educational agencies under this title for  
15 the acquisition of equipment (suitable for use in provid-  
16 ing education in science, mathematics, or modern foreign  
17 language) and for minor remodeling which are referred to  
18 in paragraph (1) of section 403 (a). There are hereby  
19 authorized to be appropriated \$5,000,000 for the fiscal year  
20 ending June 30, 1959, and for each of the three succeeding  
21 fiscal years, for making payments to State educational agen-  
22 cies under this title to carry out the programs referred to in  
23 paragraph (5) of section 403 (a).

1 ALLOTMENTS TO STATES

2 SEC. 402. (a) (1) From the sums appropriated pur-  
3 suant to the first sentence of section 401 for any fiscal year  
4 the Commissioner shall reserve such amount, but not in  
5 excess of 2 per centum thereof, as he may determine for  
6 allotment as provided in section 908. From the remainder  
7 of such sums the Commissioner shall allot to each State  
8 an amount which bears the same ratio to the amount of  
9 such remainder as the product of—

10 (A) the school-age population of the State, and

11 (B) the State's allotment ratio (as determined  
12 under paragraph (2)),

13 bears to the sum of the corresponding products for all the  
14 States.

15 (2) The "allotment ratio" for any State shall be 100  
16 per centum less the product of (A) 50 per centum and (B)  
17 the quotient obtained by dividing the income per child of  
18 school age for the State by the income per child of school  
19 age for the continental United States, except that the  
20 allotment ratio shall in no case be less than  $33\frac{1}{3}$  per centum  
21 or more than  $66\frac{2}{3}$  per centum. The allotment ratios shall  
22 be promulgated by the Commissioner as soon as possible  
23 after enactment of this Act, and again between July 1 and

1 August 31 of the year 1959, on the basis of the average  
2 of the incomes per child of school age for the States and  
3 for the continental United States for the three most recent  
4 consecutive years for which satisfactory data are available  
5 from the Department of Commerce. The first such promul-  
6 gation shall be conclusive for each of the two fiscal years in  
7 the period beginning July 1, 1958, and ending June 30,  
8 1960, and the second shall be conclusive for each of the two  
9 fiscal years in the period beginning July 1, 1960, and ending  
10 June 30, 1962.

11 (3) For the purposes of this title—

12 (A) The term “child of school age” means a mem-  
13 ber of the population between the ages of five and  
14 seventeen, both inclusive.

15 (B) The term “continental United States” does not  
16 include Alaska.

17 (C) The term “income per child of school age” for  
18 any State or for the continental United States means the  
19 total personal income for the State and the continental  
20 United States, respectively, divided by the number of  
21 children of school age in such State and in the conti-  
22 nental United States, respectively.

23 (4) A State's allotment under this subsection shall re-  
24 main available for payment pursuant to section 404 (a) for

1 projects in such State until the end of the fiscal year following  
2 the year for which the allotment is made.

3 (b) From the sums appropriated pursuant to the sec-  
4 ond sentence of section 401 for any fiscal year the Com-  
5 missioner shall reserve such amount, but not in excess of 2  
6 per centum thereof, as he may determine for allotment as  
7 provided in section 908. From the remainder of such sums  
8 the Commissioner shall allot to each State an amount which  
9 bears the same ratio to the amount of such remainder as the  
10 school-age population of such State bears to the total of the  
11 school-age populations of all of the States. The amount  
12 allotted to any State under the preceding sentence for any  
13 fiscal year which is less than \$20,000 shall be increased to  
14 \$20,000, the total thereby required being derived by propor-  
15 tionately reducing the amount allotted to each of the remain-  
16 ing States under the preceding sentence, but with such ad-  
17 justments as may be necessary to prevent the allotment of  
18 any of such remaining States from being thereby reduced  
19 to less than \$20,000.

20 STATE PLANS

21 SEC. 403. (a) Any State which desires to receive pay-  
22 ments under this title shall submit to the Commissioner,  
23 through its State educational agency, a State plan which—

1           (1) sets forth a program under which funds paid  
2           to the State from its allotment under section 402 (a)  
3           will be expended solely for projects approved by the  
4           State educational agency for (A) acquisition of labora-  
5           tory and other special equipment, including audio-visual  
6           materials and equipment and printed materials (other  
7           than textbooks), suitable for use in providing education  
8           in science, mathematics, or modern foreign language,  
9           for use in elementary or secondary schools, or both, and  
10          (B) minor remodeling of laboratory or other space used  
11          for such materials or equipment;

12          (2) sets forth principles for determining the prior-  
13          ity of such projects in the State for assistance under  
14          this title and provides for undertaking such projects,  
15          insofar as financial resources available therefor make  
16          possible, in the order determined by the application of  
17          such principles;

18          (3) provides an opportunity for a hearing before the  
19          State educational agency to interested persons with  
20          respect to each application for the approval of such a  
21          project under this title;

22          (4) provides for the establishment of standards on  
23          a State level for laboratory and other special equipment  
24          acquired with assistance furnished under this title;

25          (5) sets forth a program under which funds paid to

1 the State from its allotment under section 402 (b) will  
2 be expended solely for (A) expansion or improvement  
3 of supervisory or related services in the fields of  
4 science, mathematics, and modern foreign languages, and  
5 (B) administration of the State plan;

6 (6) provides that the State educational agency will  
7 be the sole agency for administering the plan;

8 (7) provides that the State educational agency will  
9 make such reports to the Commissioner, in such form and  
10 containing such information, as may be reasonably nec-  
11 essary to enable the Commissioner to perform his duties  
12 under this title; and

13 (8) provides for such fiscal control and fund ac-  
14 counting procedures as may be necessary to assure prop-  
15 er disbursement of and accounting for Federal funds paid  
16 to the State under this title.

17 (b) The Commissioner shall approve any State plan  
18 and any modification thereof which complies with the pro-  
19 visions of subsection (a).

20 **PAYMENTS TO STATES**

21 SEC. 404. (a) From a State's allotment for a fiscal year  
22 under section 402 (a), the Commissioner shall, from time to  
23 time during the period such allotment is available for pay-  
24 ment as provided in paragraph (4) of section 402 (a), pay  
25 to such State an amount equal to one-half of the expendi-

1 tures for projects for acquisition of equipment and minor re-  
2 modeling referred to in paragraph (1) of section 403 (a)  
3 which are carried out under its State plan approved under  
4 section 403 (b) ; except that no State shall receive payments  
5 under this subsection for any period in excess of its allotments  
6 for such period under section 402 (a) ,

7 (b) From a State's allotment under section 402 (b) for  
8 the fiscal year ending June 30, 1959, the Commissioner shall  
9 from time to time pay to such State an amount equal to the  
10 amount expended by such State for such year to carry out  
11 the program referred to in paragraph (5) of section 403 (a)  
12 under its State plan approved under section 403 (b) . From  
13 a State's allotment under section 402 (b) for the fiscal year  
14 ending June 30, 1960, and for each of the two succeeding  
15 fiscal years, such payment shall equal 50 per centum of the  
16 amount so expended under its State plan approved under  
17 section 403 (b) ; except that no State shall receive payments  
18 under this subsection for any fiscal year in excess of its allot-  
19 ment under section 402 (b) for that fiscal year.

## 20 TITLE V—LANGUAGE DEVELOPMENT

### 21 LANGUAGE INSTITUTES

22 SEC. 501. (a) The Commissioner is authorized to  
23 arrange, through contracts with institutions of higher edu-  
24 cation, for the operation by them, during the period begin-  
25 ning July 1, 1958, and ending with the close of June 30,



1 1962, of short-term regular session institutes for advanced  
2 training, particularly in the use of new teaching methods  
3 and instructional materials, for individuals who are engaged  
4 in or preparing to engage in the teaching, or supervising  
5 or training teachers of any modern foreign language in  
6 schools at the elementary or secondary level or in institu-  
7 tions of higher education.

8 (b) A contract pursuant to this section may cover  
9 all or any part of the cost of the institute with respect  
10 to which it is made, and may be made on such conditions  
11 as the Commissioner finds necessary to carry out the pur-  
12 poses of this section.

13 (c) The Commissioner is also authorized during the pe-  
14 riod beginning July 1, 1958, and ending with the close of  
15 June 30, 1962, to pay stipends to individuals attending any  
16 institute established under this section, including allowances  
17 for dependents and for travel to and from their places of  
18 residence.

19 LANGUAGE AND AREA CENTERS

20 SEC. 502. (a) The Commissioner is authorized to ar-  
21 range through contracts with institutions of higher education  
22 for the establishment and operation by them, during the  
23 period beginning July 1, 1958, and ending with the close of  
24 June 30, 1962, of centers for the teaching of any modern  
25 foreign language with respect to which the Commissioner

1 determines (1) that individuals trained in such language are  
2 needed by the Federal Government or by business, industry,  
3 or education in the United States, and (2) that adequate  
4 instruction in such language is not readily available in the  
5 United States. Any such contract may provide for instruc-  
6 tion not only in such modern foreign language but also in  
7 other fields needed to provide a full understanding of the  
8 areas, regions, or countries in which such language is com-  
9 monly used, to the extent adequate instruction in such fields  
10 is not readily available, including fields such as history, po-  
11 litical science, linguistics, economics, sociology, geography,  
12 and anthropology. Any such contract may cover not more  
13 than 50 per centum of the cost of the establishment and  
14 operation of the center with respect to which it is made,  
15 including the cost of grants to the staff for travel in the for-  
16 eign areas, regions, or countries with which the subject mat-  
17 ter of the field or fields in which they are or will be working  
18 is concerned and the cost of travel of foreign scholars to such  
19 centers to teach or assist in teaching therein and the cost of  
20 their return, and shall be made on such conditions as the  
21 Commissioner finds necessary to carry out the purposes of  
22 this section.

23 (b) The Commissioner is also authorized, during the

1 period beginning July 1, 1958, and ending with the close  
2 of June 30, 1962, to pay stipends to individuals undergoing  
3 advanced training in any modern foreign language (with  
4 respect to which he makes the determination under clause  
5 (1) of subsection (a) ), and other fields needed for a full  
6 understanding of the area, region, or country in which such  
7 language is commonly used, at any short-term or regular ses-  
8 sion of any institution of higher education, including allow-  
9 ances for dependents and for travel to and from their places of  
10 residence, but only upon reasonable assurance that the re-  
11 cipients of such stipends will, on completion of their training,  
12 be available for teaching a modern foreign language in an  
13 institution of higher education or for such other service  
14 of a public nature as may be permitted in regulations of the  
15 Commissioner.

#### 16 RESEARCH AND STUDIES

17 SEC. 503. The Commissioner is authorized, directly or  
18 by contract, to make studies and surveys to determine the  
19 need for increased or improved instruction in modern foreign  
20 languages and other fields needed to provide a full under-  
21 standing of the areas, regions, or countries in which such  
22 languages are commonly used, to conduct research on more  
23 effective methods of teaching such languages and in such

1 other fields, and to develop specialized materials for use in  
2 such training, or in training teachers of such languages or  
3 in such fields.

4                   APPROPRIATIONS AUTHORIZED

5       SEC. 504. There are hereby authorized to be appro-  
6 priated such sums as may be necessary to carry out the  
7 provisions of this title, not to exceed \$4,500,000 in any one  
8 fiscal year.

9                   TITLE VI—EXPANSION OF GRADUATE  
10                   EDUCATION

11                   APPROPRIATIONS AUTHORIZED

12       SEC. 601. There are hereby authorized to be appropri-  
13 ated such sums as may be necessary to carry out the pro-  
14 visions of this title.

15                   NUMBER OF FELLOWSHIIPS

16       SEC. 602. During the fiscal year ending June 30, 1959,  
17 the Commissioner is authorized to award one thousand fel-  
18 lowships under the provisions of this title, and during each  
19 of the three succeeding fiscal years he is authorized to award  
20 one thousand five hundred such fellowships. Such fellow-  
21 ships shall be for periods of study not in excess of three aca-  
22 demic years.

23                   AWARD OF FELLOWSHIIPS AND APPROVAL OF INSTITUTIONS

24       SEC. 603. (a) The Commissioner shall award fellow-  
25 ships under this title to individuals accepted for study in

1 graduate programs approved by him under this section. The  
2 Commissioner shall approve a graduate program of an insti-  
3 tution of higher education only upon application by the insti-  
4 tution and only upon his finding that:

5 (1) such program is a new program or an existing  
6 program which has been expanded,

7 (2) such new program or expansion of an existing  
8 program will substantially further the objective of in-  
9 creasing the facilities available in the Nation for the  
10 graduate training of college or university level teachers  
11 and of promoting a wider geographical distribution of  
12 such facilities throughout the Nation, and

13 (3) in the acceptance of persons for study in such  
14 programs preference will be given to persons interested  
15 in teaching in institutions of higher education.

16 (b) The total of the fellowships awarded under this  
17 title for pursuing a course of study in a graduate program  
18 at any institution of higher education may not exceed  
19 a limit established by the Commissioner in the light of the  
20 objective referred to in subsection (a) (2).

21 **FELLOWSHIP STIPENDS**

22 **SEC. 604.** (a) Each person awarded a fellowship under  
23 the provisions of this title shall receive a stipend of \$2,000  
24 for the first academic year of study after the baccalaureate  
25 degree, \$2,200 for the second such year, and \$2,400 for

1 the third such year, plus an additional amount of \$400 for  
2 each such year on account of each of his dependents.

3 (b) In addition to the amounts paid to persons pursuant  
4 to subsection (a) there shall be paid to the institution of  
5 higher education at which each such person is pursuing  
6 his course of study such amount, not less than \$500 or more  
7 than \$2,500 per academic year, as is determined by the  
8 Commissioner to constitute that portion of the cost of the  
9 new graduate program or of the expansion in an existing  
10 graduate program which he is pursuing, which is reasonably  
11 attributable to such person.

12 FELLOWSHIP CONDITIONS

13 SEC. 605. A person awarded a fellowship under the  
14 provisions of this title shall continue to receive the payments  
15 provided in section 604 (a) only during such periods as  
16 the Commissioner finds that he is maintaining satisfactory  
17 proficiency in, and devoting essentially full time to, study  
18 or research in the field in which such fellowship was awarded,  
19 in an institution of higher education, and is not engaging in  
20 gainful employment other than part-time employment by  
21 such institution in teaching, research, or similar activities  
22 approved by the Commissioner.

1 TITLE VII—GUIDANCE, COUNSELING, TESTING;  
2 IDENTIFICATION AND ENCOURAGEMENT  
3 OF ABLE STUDENTS

4 PART A—STATE PROGRAMS

5 APPROPRIATIONS AUTHORIZED

6 SEC. 701. There are hereby authorized to be appropri-  
7 ated \$15,000,000 for the fiscal year ending June 30, 1959,  
8 and for each of the three succeeding fiscal years, for making  
9 grants to State educational agencies under this part to assist  
10 them to establish and maintain programs of testing and  
11 guidance and counseling.

12 ALLOTMENTS TO STATES

13 SEC. 702. From the sums appropriated pursuant to sec-  
14 tion 701 for any fiscal year the Commissioner shall reserve  
15 such amount, but not in excess of 2 per centum thereof, as  
16 he may determine for allotment as provided in section 908.  
17 From the remainder of such sums the Commissioner shall  
18 allot to each State an amount which bears the same ratio to  
19 the amount of such remainder as the school-age population of  
20 such State bears to the total of school-age populations of all  
21 of the States. The amount allotted to any State under the  
22 preceding sentence for any fiscal year which is less than

1 \$20,000 shall be increased to \$20,000, the total of increases  
2 thereby required being derived by proportionately reducing  
3 the amount allotted to each of the remaining States under  
4 the preceding sentence, but with such adjustments as may  
5 be necessary to prevent the allotment of any such remaining  
6 States from being thereby reduced to less than \$20,000.

7 STATE PLANS

8 SEC. 703. (a) Any State which desires to receive pay-  
9 ments under this part shall submit to the Commissioner,  
10 through its State educational agency, a State plan which—

11 (1) sets forth (A) a program under which funds  
12 paid to the State under this part will be expended by  
13 the State educational agency, or granted by it to local  
14 educational agencies in the State for expenditure, to  
15 establish or maintain programs of testing and guidance  
16 and counseling which will operate in the secondary  
17 schools of such State and be directed at (i) identifying  
18 students with outstanding aptitude and ability in such  
19 schools, (ii) advising students of courses of study best  
20 suited to their ability, aptitudes, and skills, and (iii)  
21 encouraging students with outstanding aptitude and  
22 ability to complete their secondary school education,  
23 take the necessary courses for admission to institutions  
24 of higher education, and enter such institutions after



41

1 completion of their secondary school education; and

2 (B) the means of testing which will be utilized in carry-  
3 ing out such programs;

4 (2) sets forth the purposes for, and the conditions  
5 under, which funds paid to a State under this part will  
6 be granted to local educational agencies in such State;

7 (3) provides that the State educational agency  
8 will be the sole agency for administering the plan;

9 (4) provides that the State educational agency  
10 will make such reports to the Commissioner, in such  
11 form and containing such information as may be reason-  
12 ably necessary to enable the Commissioner to perform  
13 his duties under this part; and

14 (5) provides for such fiscal control and fund ac-  
15 counting procedures as may be necessary to assure proper  
16 disbursement of and accounting for Federal funds paid  
17 to the State under this part.

18 (b) The Commissioner shall approve any State plan  
19 and any modification thereof which complies with the pro-  
20 visions of subsection (a).

21 PAYMENTS TO STATES

22 SEC. 704. Payment under this part shall be made to  
23 those State educational agencies which administer plans  
24 approved under section 703. For the fiscal year ending

1 therefor to the Commissioner. For the fiscal year ending  
2 June 30, 1959, such payments shall equal the amount ex-  
3 pended by the State in carrying out its State plan, and for  
4 the fiscal year ending June 30, 1960, and for each of the  
5 two succeeding fiscal years, such payments shall equal 50  
6 per centum of the amount so expended; except that no State  
7 educational agency shall receive payment under this part  
8 for any fiscal year in excess of that State's allotment for  
9 that fiscal year as determined under section 702.

10 PART B—INSTITUTES IN GUIDANCE AND COUNSELING

11 APPROPRIATIONS AUTHORIZED

12 SEC. 721. There are hereby authorized to be appro-  
13 priated \$6,000,000, for the fiscal year ending June 30,  
14 1959, and for each of the three succeeding fiscal years, for  
15 the purpose of carrying out the provisions of this part.

16 PURPOSE

17 SEC. 722. The Commissioner shall (1) arrange through  
18 contracts with institutions of higher education for the estab-  
19 lishment and operation by them of summer or regular session  
20 institutes consisting of courses in the counseling and guidance  
21 of students at the secondary school level with emphasis upon  
22 the counseling and guidance of gifted students, and (2) pay  
23 stipends under the provisions of this part to eligible persons  
24 who attend such institutes.

1 CONTRACT AUTHORITY

2 SEC. 723. A contract with an institution of higher edu-  
3 cation under the provisions of this part shall provide for the  
4 payment to such institution of the reasonable cost incurred  
5 by it in providing the summer or regular session institute  
6 contracted for.

7 STIPENDS

8 SEC. 724. Any person employed in a public-school sys-  
9 tem who is employed or is to be employed in a guidance and  
10 counseling capacity on a full- or part-time basis and who en-  
11 rolls in and attends a summer or regular session institute con-  
12 tracted for under this part shall be eligible (after application  
13 therefor) to receive a stipend at the rate of \$75 per week  
14 for the period of his attendance at such institute. Each such  
15 person with one or more dependents shall receive an addi-  
16 tional stipend at the rate of \$15 per week for each such de-  
17 pendent for the period of such attendance. However, no  
18 person shall receive a stipend under this title at a rate in ex-  
19 cess of his last rate of salary for the immediately preceding  
20 academic year. Stipends under this section shall be paid  
21 only for periods during which the recipient is in attendance  
22 in good standing at the institute as determined by the  
23 Commissioner in accordance with its regularly prescribed  
24 standards and practices.

1 TITLE VIII—RESEARCH AND EXPERIMENTA-  
2 TION IN MORE EFFECTIVE UTILIZATION OF  
3 TELEVISION, RADIO, MOTION PICTURES, AND  
4 RELATED MEDIA FOR EDUCATIONAL PUR-  
5 POSES

6 APPROPRIATIONS AUTHORIZED; FUNCTIONS OF  
7 COMMISSIONER

8 SEC. 801. There are hereby authorized to be appropriated  
9 \$2,000,000 for the fiscal year ending June 30, 1959, and  
10 for each of the three succeeding fiscal years, to enable the  
11 Commissioner, through grants or contracts, to—

12 (1) make studies and surveys to determine the  
13 need for increased or improved utilization of television,  
14 radio, motion pictures, and related media of communica-  
15 tion by State or local educational agencies and institu-  
16 tions of higher education in providing education;

17 (2) conduct research, demonstrations, and experi-  
18 ments in the use of such media for such purposes;

19 (3) conduct research, demonstrations, and experi-  
20 ments in the development and use of new media of  
21 communication (and other audio-visual aids) for such  
22 purposes;

23 (4) evaluate and publish reports concerning the  
24 effectiveness of such media for such purposes; and

25 (5) prepare and publish abstracts and catalogs of

1 audio-visual materials available for such purposes to the  
2 extent such abstracts or catalogs are not otherwise  
3 readily available; and  
4 to enable him to provide, upon request, advice, counsel, and  
5 technical assistance to State or local educational agencies  
6 and institutions of higher education undertaking to utilize  
7 such media of communication in providing education.

8 TITLE IX—MISCELLANEOUS PROVISIONS

9 ADMINISTRATION

10 SEC. 901. (a) In administering this Act, the Com-  
11 missioner is authorized to utilize the services and facilities  
12 of any agency of the Federal Government and, without  
13 regard to section 3709 of the Revised Statutes of the United  
14 States (41 U. S. C., sec. 5), of any other public or non-  
15 profit agency or institution, in accordance with agreements  
16 between the Secretary and the head thereof.

17 (b) The Commissioner shall include in his annual report  
18 a full report of the activities under this Act, including  
19 recommendations for needed revisions in its provisions.

20 (c) The Secretary shall advise and consult with the  
21 heads of executive departments and independent establish-  
22 ments of the Federal Government responsible for the admin-  
23 istration of scholarship, fellowship, or other educational  
24 programs, with a view to the full coordination of all  
25 specialized scholarship, fellowship, and other educational

1 programs administered by or under all departments and  
2 establishments of the Federal Government with the programs  
3 established by this Act.

4 IMPROVEMENT OF STATISTICAL SERVICES OF STATE  
5 EDUCATIONAL AGENCIES

6 SEC. 902. (a) For the purpose of assisting the States  
7 to improve and strengthen the adequacy and reliability of  
8 educational statistics provided by State and local reports and  
9 records and the methods and techniques for collecting and  
10 processing educational data and disseminating information  
11 about the condition and progress of education in the States,  
12 there are hereby authorized to be appropriated for the fiscal  
13 year ending June 30, 1959, and each of the three succeeding  
14 fiscal years, for grants to States under this section, such sums  
15 as the Congress may determine.

16 (b) Grants under this section by the Commissioner shall  
17 be equal to one-half of the cost of State educational agency  
18 programs to carry out the purposes of this section, including  
19 (1) improving the collection, analysis, and reporting of  
20 statistical data supplied by local educational units, (2) the  
21 development of accounting and reporting manuals to serve  
22 as guides for local educational units, (3) the conduct of con-  
23 ferences and training for personnel of local educational units  
24 and of periodic reviews and evaluation of the program for  
25 records and reports, (4) improving methods for obtaining,

1 from other State agencies within the State, educational data  
2 not collected by the State educational agency, or (5) ex-  
3 pediting the processing and reporting of statistical data  
4 through installation and operation of mechanical equipment.  
5 The total of the payments to any State under this section  
6 for any fiscal year may not exceed \$50,000.

7 (c) Payments with respect to any program of a State  
8 educational agency under this section may be made (1) only  
9 to the extent it is a new program or an addition to or expan-  
10 sion of an existing program, and (2) only if the State plan  
11 approved under subsection (d) includes such program.

12 (d) The Commissioner shall approve any State plan for  
13 purposes of this section if such plan—

14 (1) provides that the State educational agency shall  
15 be the sole agency for carrying out programs under  
16 the plan either directly or through arrangements with  
17 other agencies of the State;

18 (2) sets forth the program proposed to be carried  
19 out under the plan and the general policies to be followed  
20 in doing so;

21 (3) provides for such fiscal control and fund ac-  
22 counting procedures as may be necessary to assure  
23 proper disbursement of and accounting for Federal funds  
24 paid to the State under this section; and

25 (4) provides for the making of such reports to the

1 Commissioner in such form and containing such informa-  
2 tion as are reasonably necessary to enable the Commis-  
3 sioner to perform his duties under this section.

4 DISAPPROVAL OF, AND FAILURE TO COMPLY WITH,  
5 STATE PLANS

6 SEC. 903. (a) The Commissioner shall not finally dis-  
7 approve any State plan submitted under this Act, or any  
8 modification thereof, without first affording the agency ad-  
9 ministering the plan reasonable notice and opportunity for a  
10 hearing.

11 (b) Whenever the Commissioner, after reasonable  
12 notice and opportunity for hearing to the agency administer-  
13 ing a State plan approved under one of the titles of this  
14 Act, finds that—

15 (1) the State plan has been so changed that it no  
16 longer complies with the provisions of this Act govern-  
17 ing its original approval, or

18 (2) in the administration of the plan there is a  
19 failure to comply substantially with any such provision,  
20 the Commissioner shall suspend approval of the State  
21 plan, and shall notify the agency administering the plan  
22 of the suspension. When approval of a State plan has been  
23 suspended by the Commissioner such approval shall remain  
24 suspended until he is satisfied that there is no longer any  
25 such failure to comply.



1 (c) (1) While approval of a State plan submitted  
2 under title II is suspended by the Commissioner he shall  
3 not award new scholarships to individuals certified to him  
4 by the State Commission (or the Commissioner, in his dis-  
5 cretion, may provide that the State Commission will not be  
6 eligible to participate in the part of a program under the  
7 title, or in the part of the State plan, which is affected by  
8 the failure to comply).

9 (2) While approval of a State plan submitted under  
10 title IV, part A of title VII, or section 902 is suspended by  
11 the Commissioner he shall make no further payments under  
12 that title, part, or section (as the case may be) for programs  
13 in the State.

#### 14 JUDICIAL REVIEW

15 SEC. 904. (a) If any State is dissatisfied with the  
16 Commissioner's final action with respect to the approval  
17 of a State plan submitted under this Act, or with re-  
18 spect to his final action under section 903 (b), such State  
19 may, within sixty days after notice of such action, file in  
20 the United States district court for the district in which  
21 the capital of the State is located, a petition to review such  
22 action. The petition for review shall (1) contain a concise  
23 statement of the facts upon which the appeal is based and  
24 (2) designate that part of the Commissioner's decision  
25 sought to be reviewed.

1 (b) Notification of the filing of the petition for review  
2 shall be given by the clerk of the court by mailing a copy of  
3 the petition to the Commissioner.

4 (c) No costs or docket fees shall be charged or imposed  
5 with respect to any judicial review proceedings, or appeal  
6 therefrom, taken under this Act.

7 (d) Upon receipt of the petition for review the Commis-  
8 sioner shall, within twenty days thereafter, certify and file  
9 in the court the record on review, consisting of the complete  
10 transcript of the proceedings before the Commissioner. No  
11 party to such review shall be required, by rule of court or  
12 otherwise, to print the contents of such record filed in the  
13 court.

14 (e) The court after review may dismiss the petition or  
15 deny the relief prayed for, or may suspend, modify, or set  
16 aside, in whole or in part, the action of the Commissioner,  
17 or may compel action unlawfully withheld. The judgment  
18 of the court shall be subject to review as provided in section  
19 1291 and 1254 of title 28 of the United States Code.

20 METHOD OF PAYMENT

21 SEC. 905. Payments under this Act to any individual  
22 or to any State or Federal agency, institution of higher  
23 education, or any other organization, pursuant to a grant  
24 or contract, may be made in installments, and in  
25 advance or by way of reimbursement, and, in the case of

1 grants, with necessary adjustments on account of overpay-  
2 ments or underpayments.

3 ADMINISTRATIVE APPROPRIATIONS AUTHORIZED

4 SEC. 906. There are hereby authorized to be appro-  
5 priated for the fiscal year ending June 30, 1959, and for  
6 each fiscal year thereafter, such sums as may be necessary  
7 for the cost of administering the provisions of this Act.

8 ACCEPTANCE OF GIFTS AND BEQUESTS

9 SEC. 907. The Commissioner is authorized to accept  
10 gifts, grants, bequests, or devises for carrying out the pro-  
11 visions of this Act.

12 ALLOTMENTS TO TERRITORIES AND POSSESSIONS

13 SEC. 908. The National Defense Scholarships reserved  
14 by the Commissioner under section 205 (a), and the amounts  
15 reserved by the Commissioner under sections 402 and  
16 702 shall be allotted by the Commissioner among Alaska,  
17 Hawaii, Puerto Rico, the Canal Zone, Guam, and the Vir-  
18 gin Islands, according to their respective needs for the type  
19 of assistance furnished under the part or title in which the  
20 section appears.

21 ADVISORY COMMITTEES

22 SEC. 909. (a) The Commissioner, with the approval  
23 of the Secretary, may appoint an advisory committee, or  
24 advisory committees, to advise and consult with him with  
25 respect to the administration of titles V, VI, and VIII

1 of this Act. Members of an advisory committee ap-  
2 pointed under this section, while attending conferences or  
3 meetings of the committee, shall be entitled to receive com-  
4 pensation at a rate to be fixed by the Secretary, but not  
5 exceeding \$50 per diem, and while away from their homes  
6 or regular places of business they may be allowed travel  
7 expenses, including per diem in lieu of subsistence, as au-  
8 thorized by law for persons in the Government service  
9 employed intermittently.

10 (b) Any member of an advisory committee appointed  
11 under this section is hereby exempted, with respect to such  
12 appointment, from the operation of sections 281, 283, 284,  
13 and 1914 of title 18 of the United States Code, and section  
14 190 of the Revised Statutes of the United States (5 U. S. C.,  
15 sec. 99), except as otherwise specified in subsection (c)  
16 of this section.

17 (c) The exemption granted by subsection (b) shall not  
18 extend—

19 (1) to the receipt or payment of salary in connec-  
20 tion with the appointee's Government service from any  
21 source other than the private employer of the appointee  
22 at the time of his appointment, or

1           (2) during the period of such appointment, and  
2           the further period of two years after the termination  
3           thereof, to the prosecution or participation in the prose-  
4           cution, by any person so appointed, of any claim against  
5           the Government involving any matter concerning which  
6           the appointee had any responsibility arising out of his  
7           appointment during the period of such appointment.

Union Calendar No. 887

85TH CONGRESS  
2d Session

**H. R. 13247**

[Report No. 2157]

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## **A BILL**

To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes.

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By Mr. ELLIOTT

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JULY 1, 1958

Referred to the Committee on Education and Labor

JULY 15, 1958

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed